

# CAPITAL IMPROVEMENTS PROGRAM

## Introduction

The Capital Improvements Program, or CIP, is a financing and construction/acquisition plan for projects that require significant capital investment. The CIP, which is updated annually and submitted to and adopted by City Council, specifies and describes the City's capital project schedules and priorities for the six years immediately following Council adoption.

For each capital project, the CIP includes a variety of information, including a project description and the service need it addresses, a proposed timetable, proposed funding levels and sources and, if applicable, estimated ongoing operating costs. For projects already underway, the description also notes the remaining portion of the project's budget.

Generally, capital improvements projects consist of purchasing, constructing or renovating structures and/or acquiring land that have a total cost of at least \$100,000 and an estimated useful life of at least ten years. Common CIP projects include new or improved sidewalks, roads, neighborhood renewal projects and new city facilities, such as recreation centers, fire stations and water treatment facilities.

Some major maintenance projects, such as street resurfacing or placing a new roof on a building, are generally not included in the CIP. Although these projects meet the cost and useful life criteria for a CIP project, they often do not result in a new structure or a structure materially altered in design or size. Instead, these projects are periodically necessary to keep particular structures or facilities operating properly.

## CIP Preparation

Along with their annual operating budget requests, City departments submit capital projects for consideration and inclusion in the CIP. These requests are reviewed by staff from the City Manager's Office and the Budget & Evaluation Department.

A Preliminary CIP is presented to the City Council and the Planning Board as part of the annual budget review. A Final CIP is presented to the City Council in June and is adopted concurrently with the Annual Operating Budget.

Neighborhood organizations are invited to submit projects for consideration in the Capital Improvements Program. Submissions are forwarded to the appropriate City department(s) to determine if they are feasible and to see that they are not contrary to current City policies. The projects are then reviewed by an Interdepartmental Team consisting of representatives from several City departments as well as citizen representatives. The recommendations and comments returned by the review team are sent to the requesting organization and presented to the City Council and Planning Board during the annual budget review. Citizens are encouraged to attend the annual budget public hearing to discuss their requests directly and in detail with City Council and City staff.

## Relationship to Annual Operating Budget

Some CIP projects are funded through annual operating funds, such as the General Fund (Capital Reserve Fund) and the Water Resources Fund. In these cases, the CIP and the Annual Operating Budget are directly linked as CIP projects become authorized through the

adoption of the Annual Operating Budget. Projects funded through debt financing (typically voter authorized bonds) also impact the operating budget through ongoing debt service expense. Finally, some completed CIP projects will directly impact the operating budget in that they will require ongoing expenses for staff and other operating costs. Fire stations and recreation facilities are good examples.

## Expenditure Overview

The 2004-2010 Capital Improvements Program (CIP) totals **\$473,927,771**. This is about 31 percent, or approximately \$111.98 million, more than the adopted 2003-2009 CIP total of \$361,943,395.

## Highlights

As Greensboro prepares for the present and future challenges of water quality and availability and safe refuse disposal, Environmental Protection remains a principal focus of the City's long-term capital planning. Total estimated expenses for Environmental Protection projects are \$222.4 million, or 47 percent of the total CIP. This is an increase of \$71.3 million over the funding level adopted last year. Major projects include replacement of the Reedy Fork Lift Station; upgrades to the North Buffalo Sewer System, as well as the continued rehabilitation of other sanitary sewer lines; upgrades to the T. Z. Osborne and North Buffalo Wastewater Treatment Plants; and the Randleman Dam Feeder Main Construction. This Service area also includes increased funding for Stormwater projects, which will be funded through both enterprise funds and revenue bonds.

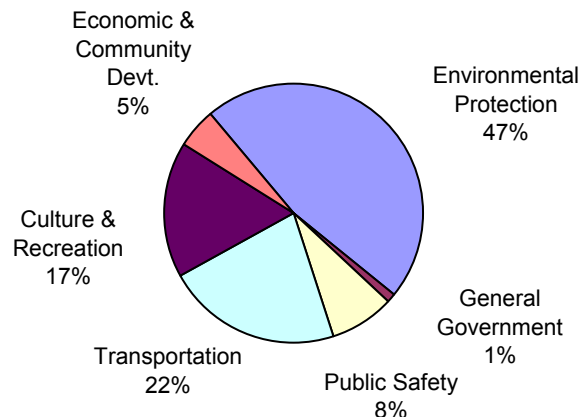
Funding for Public Safety projects, which accounts for nearly 8 percent of the recommended CIP, increased by approximately \$6.8 million over the previous year. Public Safety additions to the CIP include several Fire Stations, both for replacement of aging current locations and in anticipation of service expansion. Renovations to the second floor of the District I Police Substation are also included.

Despite having nearly \$5 million less programmed for Transportation in this CIP, it remains the second largest Service Area in the document. At \$105.8 million, the Transportation category accounts for 22 percent of the total project funding. The Greensboro Department of Transportation (GDOT) has identified a comprehensive and balanced list of transportation projects that are necessary to continue to prepare Greensboro for the 21<sup>st</sup> century and to ensure that Greensboro maintains an effective multi-modal transportation system for all citizens.

Immediate projects for FY 2004-2005 include improvements to East Market Street, Friendly Avenue, Elm-Eugene Street, Franklin Boulevard, and Wendover Avenue.

With an increase of \$37.9 million over the previous year, Culture and Recreation projects make up 17 percent of the total CIP. The Parks and Recreation Master Plan is the primary focus driving implementation of P&R projects included in the CIP. Projects scheduled include replacement of the Barber Park Tennis Pavilion Roof, a new Southwest Recreation Center, and connector trails between City parks. Library projects programmed in this service area include the construction of the McGirt-Horton Library and the expansion of the Benjamin Branch Library. Both projects are scheduled to begin in FY 2006-2007.

## Expenditures By Service Area



## Funding Overview

The Capital Improvements Program relies on a variety of funding sources to accomplish its many efforts. These include general revenues, enterprise fund revenues, debt financing, state shared revenues and grants from the state government, federal government or private sources.

## Highlights

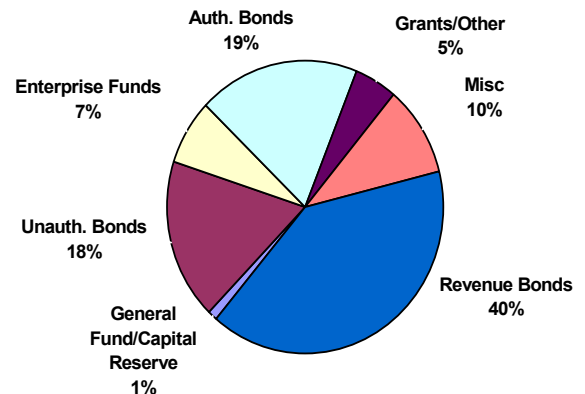
As noted in the Expenditure Highlights Section, the City will undertake a variety of projects in the Environmental Protection Program Area during the next six years. Most of these projects will initially be funded through Enterprise Funds and Revenue Bonds, with the resulting debt payments supported through revenues generated by these business type operations (Water and Sewer Services and Storm Water Services). Combined, Revenue Bonds and Enterprise Funds constitute the largest source of funds in the proposed CIP, at \$224.9 million. This accounts for almost 47 percent of the total CIP and represents a \$72.3 million increase in the funding categories from last year.

The Unauthorized Bond funding category is 18 percent of the total CIP and increased by \$52.8 million from the previous year. Approximately \$86.1 million are tentatively included as unauthorized bonds (i.e., future bond referendum) for Public Safety and Culture & Recreation projects.

As construction continues on projects approved as part of the 2000 bond referendum, funding from Authorized Bonds is continuing to decrease. This funding category, which makes up 19 percent of the recommended CIP, dropped by over \$17 million from last year. Authorized bonds are used to fund projects in the areas of Public Safety, Transportation, Culture and Recreation, General Government, and Economic and Community Development.

Grant revenue plays a role in funding capital projects in several program areas. This includes community contributions, support for Community Development efforts (HOME, CDBG) and Transit projects. The revenue category totals 5 percent of the CIP.

Funding Sources



## FUNDING LEVELS AND SOURCES FOR MAJOR CAPITAL IMPROVEMENTS PROJECTS

Following is a list of the more significant Capital Improvements Projects that will be active during FY 04-05 and/or FY 05-06. Funding and expense details for these and other projects are provided in the Recommended 2004-2010 Capital Improvements Program, which is available in the Office of the City Clerk (Melvin Municipal Office Building - 300 West Washington Street - Greensboro, North Carolina 27402-3136).

PROJECT TITLE/DESCRIPTION	BALANCE OF PROJECT FUNDING	PRIMARY FUNDING SOURCE
<b><u>Public Safety</u></b>		
Grandover Area Fire Station	2,500,000	Authorized Bonds
Horsepen Creek Fire Station	2,028,000	Authorized Bonds
Orchard Fire Station	2,586,700	Two-Thirds Bonds
<b><u>Transportation</u></b>		
Creek Ridge Road	2,434,990	Authorized Bonds
E. Market Street-Streetscape	5,609,040	Authorized Bonds
Elm-Eugene Street	2,000,000	Authorized Bonds
Friendly Avenue	3,669,400	Authorized Bonds
Franklin Boulevard	2,473,160	Authorized Bonds
Merritt Drive	3,460,090	Authorized Bonds
Sixteenth St. Bridge	2,425,000	State Revenue
<b><u>Economic and Community Development</u></b>		
Affordable Housing	3,800,000	Grants
Homeowner Rehabilitation/Repair	3,210,000	Grants
HOPE VI – Neighborhood Revitalization	4,256,000	Grants
South Elm Street	6,150,000	Grants
<b><u>Environmental Protection</u></b>		
Bledsoe Drive Pump Station and Force Main	5,810,000	Revenue Bonds
Lake Townsend WTP/Electrical and Low Lift Pumps	2,250,000	Revenue Bonds
North Buffalo Sanitary Sewer Improvements Phase I	11,100,000	Revenue Bonds
Randleman Water Supply Project	4,455,000	Revenue Bonds
Reedy Fork Lift Station Replacement	2,500,000	Revenue Bonds
Sanitary Sewer Rehabilitation	6,750,000	Enterprise Funds
Water System Expansions	4,000,000	Enterprise Funds
<b><u>Culture and Recreation</u></b>		
Barber Park Community Center	2,749,720	Authorized Bonds
Gateway Garden at Lee Street and Florida Street	3,000,000	Grants and Bonds
Centers Floor and Bleacher Replacement	1,093,000	Authorized Bonds
Southwest Recreation Center	5,704,950	Authorized Bonds
Parks ADA Compliance for Restroom Facilities	1,462,400	Authorized Bonds
Parks Play Equipment and Bleachers	1,139,000	Authorized Bonds
Trail Park Connectors	2,300,000	Authorized Bonds
<b><u>General Government</u></b>		
Medford Operations Center Renovations	2,650,490	Authorized Bonds



## MAJOR CAPITAL IMPROVEMENTS PROJECTS – OPERATING BUDGET IMPACT

Several of the CIP projects active in FY 04-05 and FY 05-06 will have an increasing effect on the annual operating budget. Those projects are listed below including the projected operating budget impacts.

### **Project #1**

<b>Project Title</b>	Bryan Park at Guilford County
<b>Estimated Completion Date</b>	FY 08-09
<b>Projected Impact on FY 04-05 Operating Budget</b>	\$10,300
<b>Projected Impact on FY 05-06 Operating Budget</b>	\$10,300

### **Project #2**

<b>Project Title</b>	Gateway Garden at Lee Street and Florida Street
<b>Estimated Completion Date</b>	FY 07-08
<b>Projected Impact on FY 04-05 Operating Budget</b>	\$0
<b>Projected Impact on FY 05-06 Operating Budget</b>	\$157,520

### **Project #3**

<b>Project Title</b>	Medford Operations Center Improvements
<b>Estimated Completion Date</b>	FY 05-06
<b>Projected Impact on FY 04-05 Operating Budget</b>	\$0
<b>Projected Impact on FY 05-06 Operating Budget</b>	\$135,000

### **Project #4**

<b>Project Title</b>	Orchard Fire Station
<b>Estimated Completion Date</b>	FY 05-06
<b>Projected Impact on FY 04-05 Operating Budget</b>	\$1,022,100
<b>Projected Impact on FY 05-06 Operating Budget</b>	\$925,500

*Capital Improvements Program*

**CITY OF GREENSBORO  
CAPITAL IMPROVEMENTS PROGRAM SUMMARY  
FY 2004-2010**

<b>EXPENDITURES</b>	<b>FY 04-05</b>	<b>FY 05-06</b>	<b>FY 06-07</b>	<b>FY 07-08</b>	<b>FY 08-09</b>	<b>FY 09-10</b>	<b>TOTAL</b>
Public Safety	1,382,600	3,582,100	4,788,100	12,058,700	9,918,600	7,108,800	38,838,900
Transportation	22,251,540	22,503,185	26,776,087	15,080,500	13,603,864	5,600,000	105,815,176
Economic & Community Devt	7,600,000	5,956,000	5,050,000	1,700,000	2,850,000	1,400,000	24,556,000
Environmental Protection	43,126,000	29,267,000	26,970,000	45,040,000	43,215,000	34,775,000	222,393,000
Culture & Recreation	4,347,650	4,279,720	15,156,650	23,498,635	21,916,550	10,475,000	79,674,205
General Govt	0	2,650,490	0	0	0	0	2,650,490
<b>TOTAL</b>	<b>78,707,790</b>	<b>68,238,495</b>	<b>78,740,837</b>	<b>97,377,835</b>	<b>91,504,014</b>	<b>59,358,800</b>	<b>473,927,771</b>

<b>Funding Sources</b>	<b>FY 04-05</b>	<b>FY 05-06</b>	<b>FY 06-07</b>	<b>FY 07-08</b>	<b>FY 08-09</b>	<b>FY 09-10</b>	<b>TOTAL</b>
General Fund	0	0	943,500	1,015,000	452,000	475,000	2,885,500
Enterprise Funds	5,700,000	5,235,000	5,475,000	5,250,000	5,450,000	7,500,000	34,610,000
Street and Sidewalk Funds	1,200,000	1,400,000	1,400,000	1,300,000	1,200,000	1,200,000	7,700,000
Powell Bill/ State Funds	9,628,900	11,145,000	9,105,000	4,000,000	4,000,000	2,000,000	39,878,900
Authorized Bonds	15,620,290	19,281,395	23,941,237	11,120,700	17,402,414	3,416,000	90,782,036
Unauthorized Bonds	922,600	1,664,100	11,881,100	31,952,135	23,584,600	16,092,800	86,097,335
Revenue Bonds	38,126,000	24,457,000	22,220,000	40,290,000	37,965,000	27,275,000	190,333,000
Grants/Other	7,510,000	5,056,000	3,775,000	2,450,000	1,450,000	1,400,000	21,641,000
<b>TOTAL</b>	<b>78,707,790</b>	<b>68,238,495</b>	<b>78,740,837</b>	<b>97,377,835</b>	<b>91,504,014</b>	<b>59,358,800</b>	<b>473,927,771</b>



*Capital Improvements Program*

CAPITAL PROJECT STATUS REPORT - MARCH 31, 2004

The following information is provided by the City's Finance Department and provides a status for various capital projects that have active appropriations.

	<u>APPROPRIATIONS (AS AMENDED)</u>	<u>TOTALS</u>	<u>UNCOLLECTED/ UNENCUMBERED BALANCE</u>
Street & Sidewalk Capital Project (401):			
Receipts	\$ 11,592,600	\$ 8,600,761	\$ 2,991,839
Disbursements/Obligations	11,592,600	10,414,451	1,178,149
State Highway Capital Project (402)			
Receipts	34,451,145	30,839,327	3,611,818
Disbursements/Obligations	34,451,145	20,550,708	13,900,437
Stormwater Capital Improvements (403)			
Receipts	4,839,793	4,631,272	208,521
Disbursements/Obligations	4,839,793	3,111,664	1,728,129
General Capital Improvements (410)			
Receipts	9,469,522	8,777,866	691,656
Disbursements/Obligations	9,469,522	8,057,744	1,411,778
Public Improvement Bond Fund Series 90,92,94 (431)			
Receipts	93,094,849	93,268,234	(173,385)
Disbursements/Obligations	93,094,849	92,976,162	118,687
Redevelopment Bond Fund Series 94 (434)			
Receipts	7,864,536	7,904,109	(39,573)
Disbursements/Obligations	7,864,536	7,702,073	162,463
Coliseum Capital Improvements (435)			
Receipts	950,000	950,000	
Disbursements/Obligations	950,000	950,000	
Public Improvement Bond Series 98A (436) Various			
Receipts	28,500,000	28,757,685	(257,685)
Disbursements/Obligations	28,500,000	24,710,655	3,789,345
Public Improvement Bond Series 98B (437) Housing			
Receipts	3,700,000	3,700,097	(97)
Disbursements/Obligations	3,700,000	3,695,232	4,768
Housing & Redevelopment Bond Series 98 (438) Housing			
Receipts	6,300,000	6,300,000	
Disbursements/Obligations	6,300,000	5,902,557	397,443
Public Improvement Bond Series 01 (441) Streets			
Receipts	71,750,000	17,405,141	54,344,859
Disbursements/Obligations	71,750,000	9,031,688	62,718,312
Public Improvement Bond Series 01 (442) Public Transp.			
Receipts	2,000,000	501,714	1,498,286
Disbursements/Obligations	2,000,000	502,027	1,497,973
Public Improvement Bond Series 01 (443) P&R			
Receipts	34,650,000	17,118,293	17,531,707
Disbursements/Obligations	34,650,000	13,530,023	21,119,977
Public Improvement Bond Series 01 (444) Natural Science			
Receipts	3,500,000		3,500,000
Disbursements/Obligations	3,500,000		3,500,000
Public Improvement Bond Series 01 (445) Fire Station			
Receipts	9,671,731	5,319,540	4,352,191
Disbursements/Obligations	9,671,731	4,278,122	5,393,609
Public Improvement Bond Series 01 (446) Law Enforcement			
Receipts	7,080,000	7,114,719	(34,719)
Disbursements/Obligations	7,080,000	5,771,568	1,308,432

*Capital Improvements Program*

CAPITAL PROJECT STATUS REPORT - MARCH 31, 2004  
(Continued)

	<u>APPROPRIATIONS (AS AMENDED)</u>	<u>TOTALS</u>	<u>UNCOLLECTED/ UNENCUMBERED BALANCE</u>
Public Improvement Bond Series 01 (447) Library			
Receipts	5,616,353	3,740,279	1,876,074
Disbursements/Obligations	5,616,353	5,448,623	167,730
Public Improvement Bond Series 01 (448) Redevelopment			
Receipts	2,800,000		2,800,000
Disbursements/Obligations	2,800,000		2,800,000
Water Resources Capital Improvements Fund (503)			
Receipts	75,127,538	75,240,390	(112,852)
Disbursements/Obligations	75,127,538	70,000,846	5,126,692
County Construction Projects (504)			
Receipts	2,095,677	511,621	1,584,056
Disbursements/Obligations	2,095,677	591,838	1,503,839
Water Resources Bond Series 2001 (509)			
Receipts	46,202,524	47,090,284	(887,760)
Disbursements/Obligations	46,202,524	46,201,930	594
Water Resources Bond Series 2003 (510)			
Receipts	48,000,000	50,573,864	(2,573,864)
Disbursements/Obligations	48,000,000	41,743,541	6,256,459
Solid Waste Capital Project (553)			
Receipts	16,893,454	16,881,756	11,698
Disbursements/Obligations	16,893,454	16,893,454	
Solid Waste Capital Improvement (554)			
Receipts	3,418,825	3,457,536	(38,711)
Disbursements/Obligations	3,418,825	1,440,482	1,978,343

